

1.0 KEY FUND INFORMATION

1.1 Shariah Concept	1.2 Investment Currency	1.3 Fund Inception
Wakalah	Ringgit Malaysia	May 2016 (Corporate) September 2016 (Retail)

1.4 Product Classification

Unrestricted Investment Account refers to a type of investment account whereby the Investment Account Holder (IAH), without specifying any particular restrictions or conditions, provides the Bank with the mandate to make the ultimate decision to invest.

1.5 Investment Objectives

To generate moderate returns over an agreed period of the investment based on the underlying risk profile of the assets.

1.6 Investment Strategies

- To ensure that the investment aligns with the Fund's investment objective, while its asset allocation safeguards the investment portfolio.
- The Bank invests in its blended portfolio of assets such as House & Fixed Asset Financing (HFA), Personal Financing (PF) and Vehicle Financing (VF) aimed at providing stable profits.

1.7 Nature of Investment Account

Term Investment Account. For retail customers, the tenure offered is from 1 month to 24 months. For corporate customers, the minimum tenure is 1 day to a maximum of 10 years or as specified by the Bank on a case-to-case basis.

1.8 Investment Asset Allocation

The Bank will allocate IAHs' funds to its existing HFA, PF and VF portfolios, which generate stable profits.

1.9 Valuation of Allocated Asset

To be carried out on a monthly basis as part of the process to determine the returns to the IAH. The returns on this investment account will be affected by the performance of the allocated assets including, but not limited to, the quality of assets (i.e. impairment) and the movement of the Effective Profit Rate (EPR) in relation to financing assets that are priced based on floating rate methods, etc. The principal and returns are not guaranteed, and an IAH may be exposed to the risk of no returns at all.

This investment account is not protected by Perbadanan Insurans Deposit Malaysia (PIDM). However, the product structure was designed to mitigate the risk of losing the principal amount. In the event of a liquidation scenario, the IAHs are ranked ahead of depositors.

1.10 Payment Policy

Profits will be disbursed upon maturity or an agreed payment frequency for investments with a tenure exceeding 15 months, as determined by the Bank and IAH (e.g. monthly, quarterly, half-yearly or yearly).

1.11 Statement on Any Changes

There have been no changes in the investment objectives, strategies, restrictions and limitations during the quarter period.

1.12 Investor Profile

- Category of investors:
 - Retail:
 - Individuals (Residents and Non-Residents)
 - Small and Medium Enterprises (SMEs)
 - Corporate:
 - Corporation
 - Government Agencies
 - Government Accounts
 - Universities
 - Companies and Partnerships
 - Other Business and Non-Business Entities
- Investors with either a short or medium-term investment horizon
- Investors who require a portfolio of Shariah-compliant investments
- Investors with low to medium risk tolerance
- Investors who seek stable profits

Note: Investors are advised to carefully consider all risk factors before making an investment decision. Investors will be exposed to the following risks: market risk, credit risk, liquidity risk, operational risk, legal risk and Shariah non-compliance risk. Please visit Bank Islam's website for further explanation of each risk.

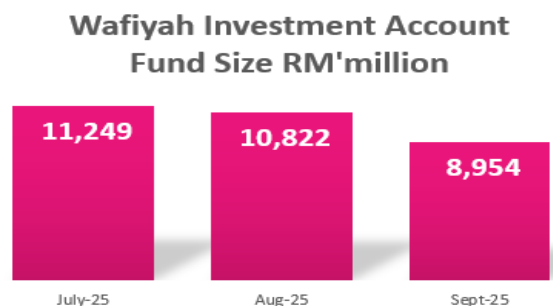
2.0 RISK STATEMENT

The Board of Directors of Bank Islam has the ultimate responsibility to manage risks related to its operations and business activities by setting risk appetite and tolerance levels that are consistent with the Bank's overall business objectives and desired risk profile. The Board Risk Committee, assisted by the Management Risk Control Committee, ensures that there is an effective oversight on the development of strategies, policies, procedures and infrastructure to manage the Bank's risks.

3.0 FUND PERFORMANCE

3.1 Fund Size & Growth

As at September 2025, Wafiyah Investment account fund balance was recorded at RM 9 billion.



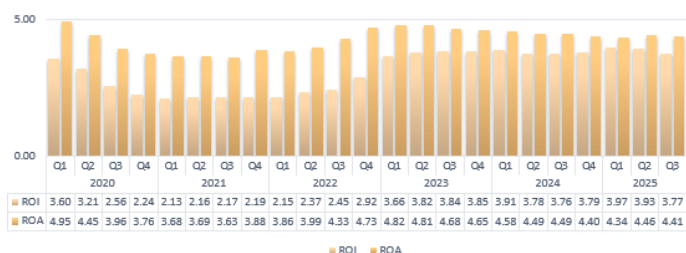
3.2 Rate of Return

Position 2025	Return on Asset (ROA)* % (p.a.)	Return on Investment (ROI) % (p.a.)
July	4.44%	Based on the agreed expected return upon placement of funds, subject to Terms & Conditions
Aug	4.41%	
Sept	4.39%	

*ROA - allocated assets of the fund.

Note: For further illustration, please refer to the Product Disclosure Sheet (PDS), Terms & Conditions and Investment Confirmation Notice (where applicable).

3.3 Historical Rate of Return



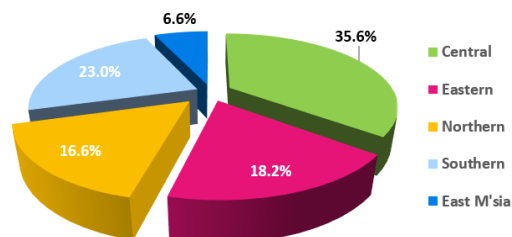
Note: The rates above are the average annual rate of return on a quarterly basis in percentage (%).

3.4 Income Statement

Income Statement for the Quarter Ended 30 Sept 2025			
	July	Aug	Sept
	RM'000	RM'000	RM'000
Profit from financing	44,325	48,180	41,036
Direct expenses*	-	-	-
Allowance for impairment on financing	(6,134)	(6,478)	(5,808)
Total Profit	38,191	41,702	35,228
Return on Asset (p.a.)	4.44%	4.41%	4.39%
Return on Investment (p.a.)	Based on the agreed expected return upon placement of funds, subject to Terms & Conditions.		

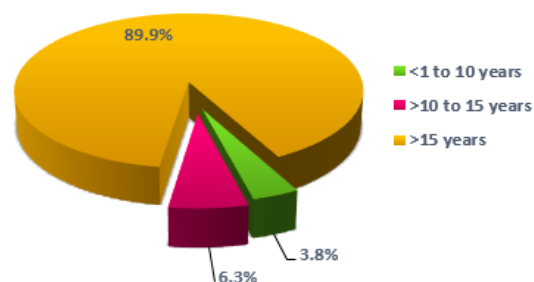
*Currently there are no charges imposed on this fund.

3.5 HFA Financing Portfolio by Geographical Location in Malaysia



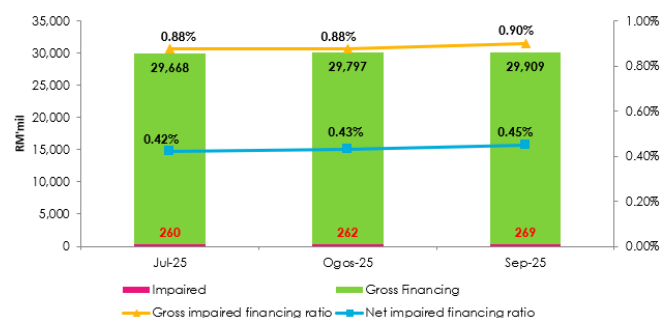
A total of 35.6% of the total HFA Financing Portfolio originates from the Central region. This reflects the concentration of the HFA portfolio in developed areas such as Klang Valley.

3.6 HFA Financing Portfolio by Remaining Maturity of Facilities



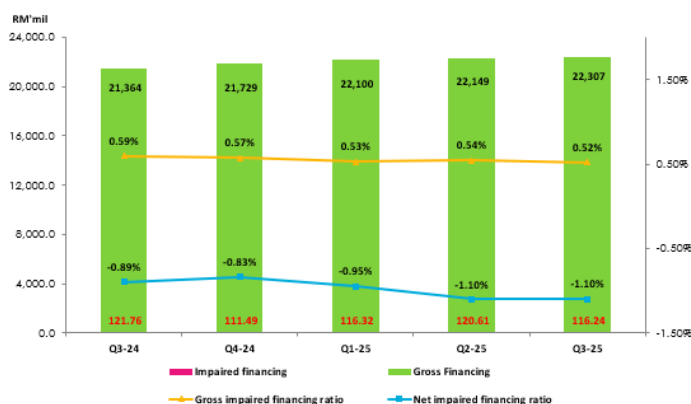
Majority of the HFA Financing Portfolio has a maturity of more than 15 years. This will ensure stability in the profit stream of the HFA portfolio which can then benefit the investment return expectations, especially for long-term IAH.

3.7 Asset Quality of HFA Portfolio



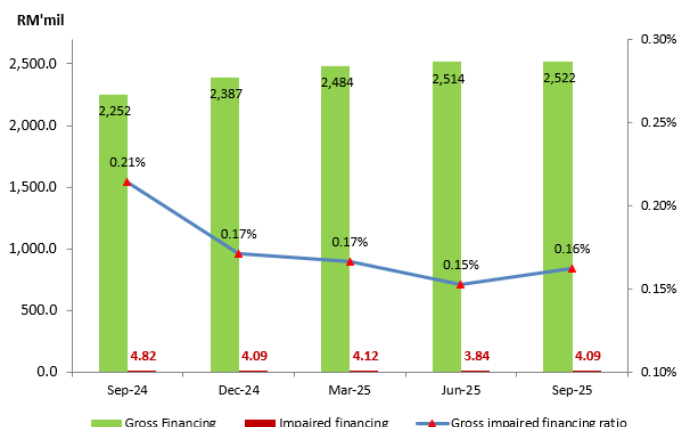
The portfolio's low impaired financing ratio reflects strong asset quality.

3.8 Asset Quality for PF Portfolio



The portfolio's low impaired financing ratio reflects strong asset quality.

3.9 Asset Quality of Vehicle Financing Portfolio



4.0 ECONOMIC REVIEW & PROSPECT

Malaysia's economy maintained a steady growth pace of 4.4% year-on-year in Q2 2025, unchanged from the previous quarter, resulting in an average expansion of 4.4% for H1 2025. This performance signals a gradual moderation in momentum as both external and domestic headwinds begin to weigh on activity.

Looking ahead, we remain cautious for H2 2025 and into 2026, given persistent tariff risks, elevated geopolitical tensions and the ongoing implementation of domestic fiscal reforms.

Policy support measures – including cash assistance, higher civil service wages and continued infrastructure spending – are expected to underpin domestic demand. However, business sentiment is likely to remain subdued as fiscal adjustments take effect. These factors may temper the recovery in private consumption and investment in the near term.

Consequently, we have revised Malaysia's 2025 GDP growth forecast to 4.2% (from 4.4%; 2024: 5.1%).

5.0 PROPERTY MARKET & HFA PORTFOLIO REVIEW

According to the latest data published by the National Property Information Centre (NAPIC), Malaysia's property market in H1 2025 remained resilient, posting only a marginal softening in activity compared to the same period last year. A total of 196,232 transactions worth RM107.68 billion were recorded, representing a decline of 1.3% in volume but a 1.9% increase in value compared to H1 2024, which saw 198,906 transactions worth RM105.65 billion.

The residential sub-sector continued to lead the overall property market, contributing 61.3% of total transactions. In H1 2025, the sector recorded 120,307 transactions worth RM49.37 billion, reflecting a decline of 1.4% in volume and 0.1% in value compared to the same period in 2024, when 121,964 transactions worth RM49.43 billion were recorded. Affordable housing priced at RM300,000 and below continued to dominate the residential market, accounting for 53.1% of total transaction volume. Demand remained concentrated on terraced houses, which

represented 41.0% of total transactions, followed by vacant plots at 19.3% and high-rise units at 17.9%.

The residential overhang situation remained challenging in H1 2025, with the number of unsold units rising significantly. A total of 26,911 units worth RM16.44 billion were recorded, marking an increase of 16.3% in volume and 17.9% in value compared to H2 2024, which saw 23,149 units worth RM13.94 billion. By state, the Federal Territory of Kuala Lumpur recorded the highest number of overhang units with 3,643 units, followed by Perak with 3,266 units and Johor with 3,209 units.

Construction activity showed mixed trends during the period. Housing completions strengthened with double-digit growth of 34.4%, rising to 42,431 units compared to 31,572 units in H1 2024. Housing starts also increased, up 4.8% to 43,556 units. In contrast, new planned supply declined sharply by 39.7% to 24,418 units. The Malaysian House Price Index (MHPI) continued to rise at a moderating pace. As at Q2 2025, the MHPI stood at 227.3 points, with an average price of RM490,376 per unit, representing a 0.7% increase on an annual basis.

As of September 2025, the HFA portfolio reached RM29.94 billion, marking a month-on-month increase of 0.37% from RM29.83 billion in the previous month. The Gross Impairment Ratio (GIR) remained stable at 0.90%, slightly higher than the previous month's figure but still below the industry average of 1.11% for residential property purchases recorded in August 2025. The HFA asset yield eased marginally to 4.22% in September 2025, compared to 4.48% in the previous quarter.

6.0 PF PORTFOLIO REVIEW

As of September 2025, the PF portfolio stood at RM22.27 billion, reflecting a month-on-month decline of 0.06% from RM22.28 billion in August. The Gross Impairment Ratio (GIR) improved to 0.52%, down from 0.69% in the preceding month. This ratio remains significantly below the industry average of 2.25% as at August 2025, underscoring the Bank's prudent credit assessment practices.

The PF asset yield registered a slight decrease to 5.66% in September 2025, compared to 5.89% in June 2024 (previous quarter).

7.0 VEHICLE FINANCING REVIEW

As of September 2025, the VF portfolio stood at RM2.521 billion, reflecting a month-on-month decline of 0.15% from RM2.525 billion in the previous month. The Gross Impairment Ratio (GIR) remained stable at 0.16%, well below than the industry average of 0.57% as at August 2025, further highlighting the Bank's disciplined credit evaluation approach.

The VF asset yield edged down slightly to 4.52% in September 2025, compared to 4.53% in June 2024 (previous quarter).